

LEASES AND TENANCY AGREEMENTS

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parties. Some solicitors avoid all controversy by setting out the form of the proposed lease in a schedule to the contract.

The form of the contract is usually drafted by the lessor's solicitor and approved by the lessee's solicitor, and after engrossment and signature is exchanged in a similar manner to that of a sale.

It is as well to remember to have the contracts engrossed on stamped (sixpenny agreement duty) paper or signed over a sixpenny adhesive stamp if the term of the proposed lease is less than thirty-five years, as otherwise the revenue officials will on presentation of the agreement for stamping, charge lease duty on the agreement and leave it to the solicitor to have his lease subsequently "denoted." The reason for this is that although the agreement may provide for the grant of a formal lease, the parties sometimes rely on the agreement itself.

If the lease is to contain an option for the lessee to purchase the property, it is important to have this fully set out in the contract, otherwise difficulty may arise as to the exact terms on which such option shall be exercised. As regards notice, the length of the title which the lessor shall deduce

and the amount of the purchase money. The option must be registered as a Land Charge under the Land Charges Act, 1925.

If the proposed lessee desires proof of the right of the lessor to grant the lease, it should be specialty provided for in the contract. If not, he is prohibited by statute from inquiring into the lessor's title¹

In practice it is somewhat rare for a proposed

¹ Law of Property Act, 1925, sect. 44 (2), (3), and (4).